

# Getting Connected Workshop

## Contract Tracking and Management

## Welcome

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- Introductions
- Is there any specific thing you are looking for out of today's meeting, or would like to hear about?

# Agenda

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- **Background**
- **Terms and Definitions**
- **Important Roles**
- **Elements of Contract Tracking and Mgmt**
- **Checklists and Review Criteria**
- **Other Tips**

# Background

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- **What is Contract Tracking and Management?**
  - Ensuring the contractor adheres to the provisions of the contract and provides the contractually described products and services to the project on time and on budget
  - Ensuring appropriate and adequate documentation of contractor performance and oversight exists
  - Contract Tracking and Management begins after a contract has been awarded
    - ▶ Solicitation and its procedures are outside the scope of this discussion
- **Remember: a good contract includes provisions for tracking the performance of the contract!!**

## Background

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- **Handout shows overview of contracting process**
  - Compatible with Project Management Institute's (PMI) guidelines
- **Process is essentially the same for both the prime contractor and consultant staff**
- **Process should be documented in a Contract Management Plan**
- **Process and tracking measures are listed on the BPweb**

## Terms and Definitions

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- **Amendment**
  - A change to the contract terms
- **Statement of Work (SOW)**
  - Document which describes the desired services/products for the contract
  - Is an attachment to the contract
- **Work Authorization**
  - Signed contractual agreement to proceed with activities in a work order
- **Work Order**
  - Description of additional work or a clarification of work to be performed which is still within the scope of the contract

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## Important Roles

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- Contract Manager
- Functional Manager
- Deliverable Monitor
- Fiscal Analyst
- Deliverable/Technical Review Staff
- Legal Staff
- Project Manager

## Contract Manager

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- **Performs administrative and contractual oversight of contractor(s)**
  - Responsible for overseeing contract performance and compliance with contract terms
  - Ensures schedules, budgets, performance and products are consistent with the contract
- **Coordinates arrival and orientation of contractor staff**
- **Reviews and audits invoices**
- **Prepares contract amendments and work orders, as needed**
- **Performs contractor evaluation at end of contract**

## Functional Manager

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- **Oversees, manages or directs contractor in their duties**
  - Monitors contractor schedule
- **Provides direct feedback to contractor**
- **Coordinates review of deliverables and consolidates feedback**
- **Reviews invoices to ensure the work billed on invoices was performed in accordance with the contract**
- **Assists Contract Manager with contract amendments and work orders**

## Deliverable Monitor

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- **Receives, logs and distributes deliverables and correspondence received from contractor**
- **Tracks deliverables through the review process**
- **Coordinates notification and resolution of deliverable deficiencies**
- **Ensures copies of all deliverables and deliverable review documentation are stored in the project library**
  - **Preferably paper and electronic copies**

## Deliverable Monitor

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- **Coordinates federal comments and approval for deliverables, as appropriate**
- **Works with Configuration Manager to ensure appropriate versions of documentation and products are retained**
- **Assists Contract Manager with contract tracking, including updating contract tracking database/tool**
- **Assists Contract Manager with preparation of amendments and work orders (as it related to deliverables)**

## Fiscal Analyst

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- Coordinates review of contractor invoices and any disputes
- Ensures sufficient funds are available for the contract
- Tracks contract expenditures and travel expenses against the contract budget
- Works with Contract Manager to verify available funding for contract amendments and work orders

## Deliverable/Technical Reviewers

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- Participates in reviews of deliverables and provides comments back to the Functional Manager
- Review staff will vary depending on type of deliverable
  - May include project staff, quality assurance, Independent Verification and Validation (IV&V), sponsor, users, or other stakeholders

## Legal Staff

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- Participates in reviews of key deliverables, as appropriate
- May review contract amendments and work orders
- Participates in any discussions of conflict of interest and/or confidentiality issues
- Advises on contract issues, as necessary
  - Including rejected deliverables, liquidated damages, Go/No-Go decisions and invoice issues

## Project Manager

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- Approves deliverables, staff replacements, invoices, amendments and work orders
  - Sometimes Sponsor is final approver
- Responsible for negotiating and resolving any contract issues
- Serves as first level of escalation for any contract issues
- On the prime contract, responsible for coordinating acceptance/non-acceptance and Go/No-Go decisions with Sponsor



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## Elements of Contract Tracking/Mgmt

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- Preparing for Contractor Arrival
- Orienting the Contractor to the Project
- Reviewing Deliverables and Services
- Reviewing Invoices for Payment
- Replacing and Tracking Contractor Staff
- Amending the Contract
- Creating Work Orders
- Closing the Contract

## Preparing for Contractor Arrival

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- Loading/assembling contract tracking data into contract tracking database/tool
- Loading/assembling contract financial data into financial tracking database/tool
- Preparing the work location, if contractor will be on-site
  - Prepare orientation materials, badges, etc.

## Orienting the Contractor

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- Discuss project processes and contract processes with contractor
  - Ensure roles and responsibilities are clear
- Discuss and have contractors sign conflict of interest and confidentiality certification
- Introduce contractor to key project staff
- Present an overview of the project's current status
- Discuss/review expectations for the contract and the work to be performed

# Reviewing Deliverables and Services

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- **Log receipt of deliverable**
- **Distribute to reviewers**
  - Note appropriate contract requirements, review criteria, and deliverable expectations
- **Conduct review of deliverable**
- **Consolidate reviewer comments**
- **Determine if deliverable should be accepted**
- **Prepare documentation indicating deliverable acceptance/non-acceptance, and rationale**
- **Ensure deliverable, review and signoff documentation are filed in the project library**
- **Update contract database/tool with status and results of deliverable review**

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# Reviewing Deliverables and Services

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- **Use of Deliverable Expectation Documents (DEDs) is recommended**
  - A “Pre-deliverable” from the contractor
  - Helps to ensure project and contractor have same understanding of the deliverable PRIOR to its being created
  - Describes
    - ▶ Format, length/size, level of detail
    - ▶ Proposed contents or outline
    - ▶ Required sections, diagrams or topics
    - ▶ Applicable government or industry standards
    - ▶ Evaluation and acceptance criteria for deliverable
  - Sometimes DEDs or specific deliverable acceptance criteria are included or referenced in the contract

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## Reviewing Deliverables and Services

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### ■ DED Process

- Deliverable Expectation Documents (DEDs) are submitted by contractor
- Project staff review and comment on DED, or meets to discuss it
- Project and contractor signoff on the DED
- Contractor follows DED in creation of the deliverable
- Project uses DED in review and evaluation of the deliverable
- If deliverable meets expectations in DED, it should be ready for acceptance (theoretically)

## Reviewing Invoices for Payment

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- Log receipt of invoice
- Route to appropriate invoice reviewers
  - Verify invoice period, work completed, rates and travel authorizations (if appropriate)
- Determine if invoice should be authorized for payment
  - Have all deliverables been received?
- Prepare documentation indicating invoice approval/non-approval, and rationale
- Forward to HHSDC Accounting for payment
- Ensure invoice and supporting documentation are filed in the project library
- Update financial database/tool with status and results of invoice review

## Replacing Contractor Staff

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- Log receipt of letter from contractor requesting staff change
- Review resume and qualifications of proposed replacement staff
- Determine if staff is acceptable
  - Check work history
- Prepare documentation indicating replacement acceptance/non-acceptance, and rationale
- Ensure replacement's resume and supporting documentation are filed in the project library
- Update contract database/tool with information on replacement staff
- Orient the new staff on arrival and review Conflict of Interest and Confidentiality requirements

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## Amending the Contract

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- Document rationale for contract amendment and prepare draft amendment
- Review changes with Legal and HHSDC Acquisition Services Bureau (ASB)
- Request amendment through HHSDC's CSS tool
- Upon approval, notify contractor
- Update contract database/tool, as appropriate
- Review approved changes with appropriate contractor and project staff

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## Creating Work Orders

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- Review contract procedures for work orders
- Document activities, deliverables, milestones and checkpoints, expectations and acceptance criteria, schedule, cost and rationale for work order and prepare draft work order
- Review changes with Legal and HHSDC Acquisition Services Bureau (ASB), if appropriate
- Upon approval, notify contractor
- Review approved changes with appropriate contractor and project staff

## Closing the Contract

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- Review contract database/tool to ensure all required items have been fulfilled and there are no outstanding issues
- Audit library and ensure complete record of contract documentation and deliverables
- Conduct lessons learned session, if appropriate
- Perform contractor evaluation on DGS Std 4 form
- Follow project exit procedures
- After final invoice has been paid, determine if funds need to be disencumbered
- Close out contract files and archive files

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# Checklists and Review Criteria

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- For Managers (Contract, Functional, Project)
  - General contract/Statement of Work criteria
  - Vendor Handbook
  - Conflict of Interest and Confidentiality Certification
  - Contractor Kickoff and Orientation Agenda
  - Sample DEDs
  - Staff replacement considerations
  - Contract amendment considerations
  - Work Order content checklist
  - Sample Lessons Learned format
  - Sample Exit Procedures for staff and contractors

## Checklists and Review Criteria

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- **For Deliverable Review Team**
  - General review criteria for deliverables
  - Sample DEDs
- **For Fiscal Analysts**
  - Invoice review criteria

## Other Tips

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- **Be cautious about e-mail wording and conversations**
  - You do not want to accidentally contradict or invalidate the contract
- **Version control and records retention of deliverables and correspondence is very important**
- **Be sure to document why decisions were made, who made the decision, and reference the rationale and/or supporting documentation**



## Other Tips

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- Clearly define an escalation process in the SOW or project processes
- Traceability of requirements is important, even if the contractor is only delivering documents/analyses
- “Acceptance” vs “approval”

## Closing

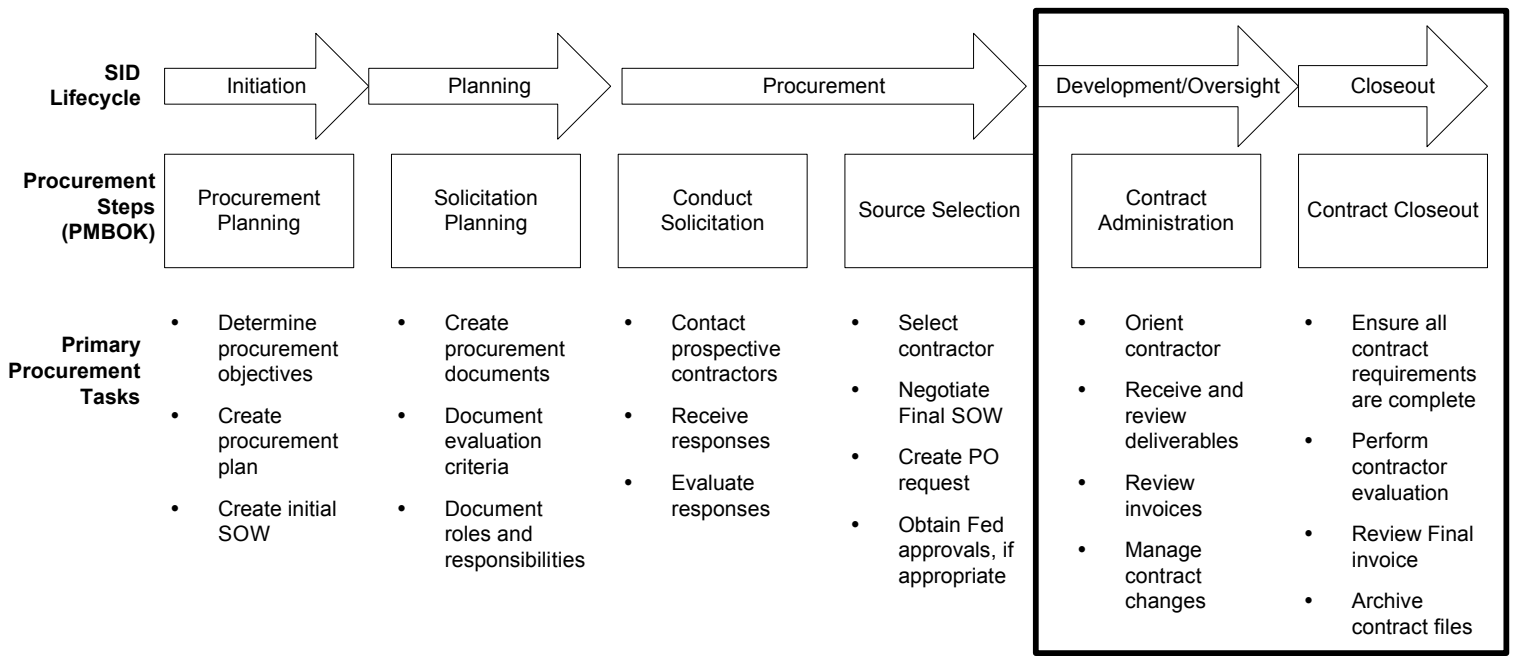
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- Also refer to BPweb
  - <http://bpweb>
  - <http://www.bestpractices.cahwnet.gov>
- Under Life Cycle Processes, go to the Contract Management Supporting Process
- Under Resources Library, go to BP Presentations. Click on “Other Presentations” to expand the list
  - ▶ Best Practices for Contract Management and Monitoring presentation

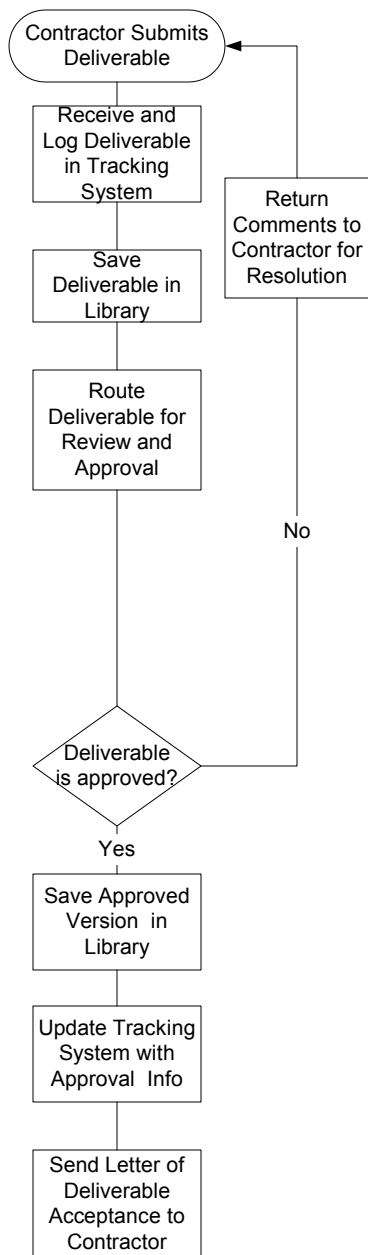
# Closing

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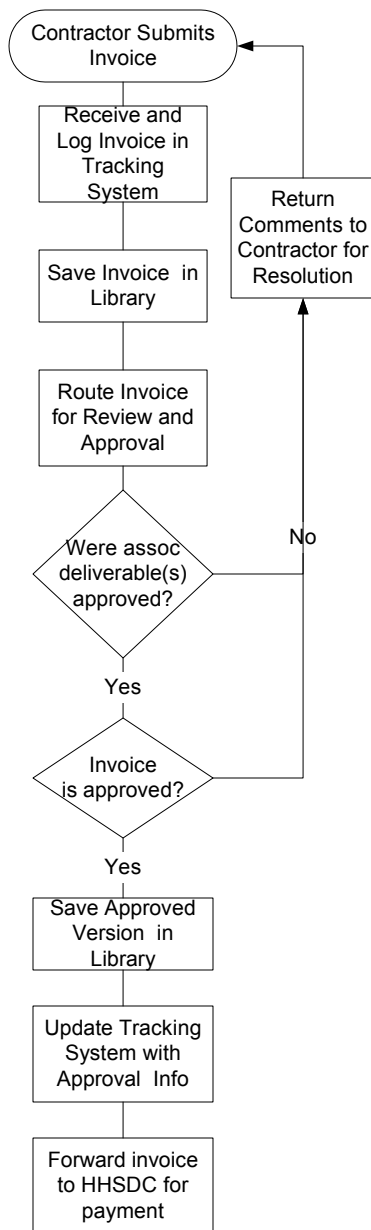
- Any questions? Suggestions?
  
- How to contact us
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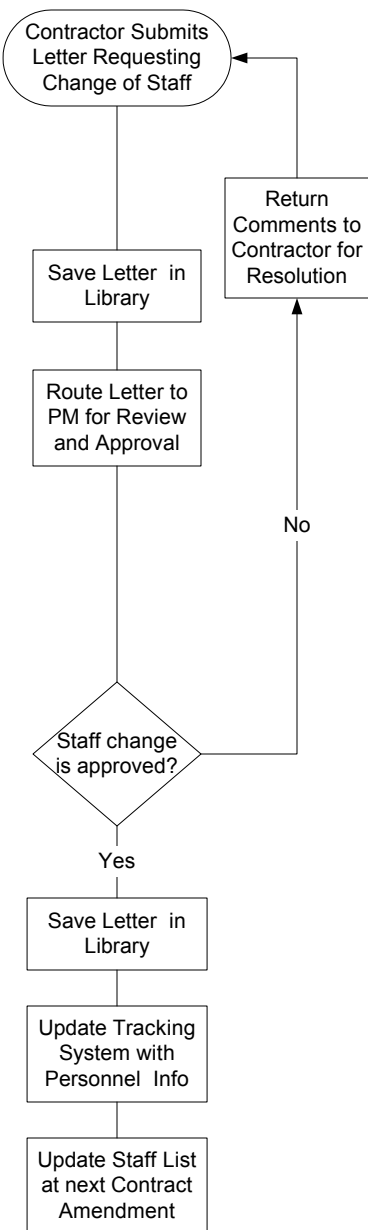
## Deliverables



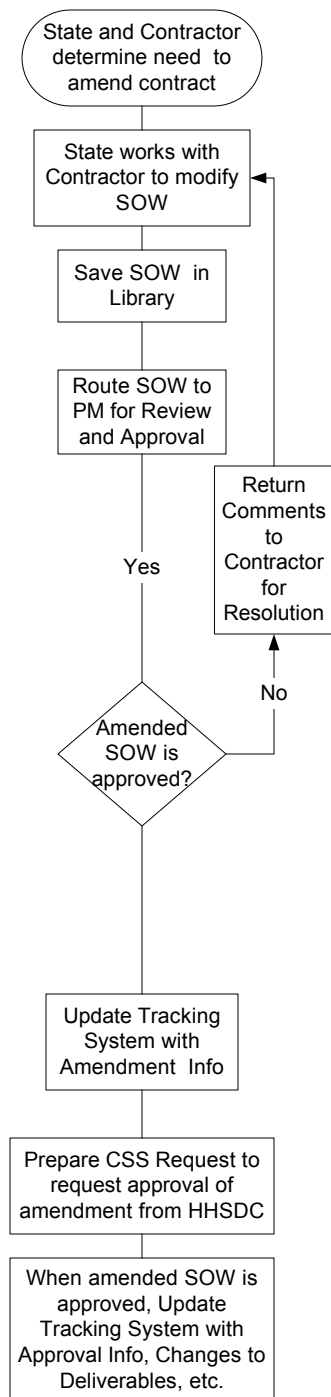
## Invoices



## Personnel



## Amendments



## Work Orders

